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Casey Operated An 'Intelligence' System in 1980

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Ronald Reagan's campaign manager, William J. Casey, set up what he called an "intelligence operation" in 1980 to monitor whether President Carter would spring an anticipated "October surprise" near the end of the campaign, according to former Reagan campaign officials.

They said that Casey, who now runs the CIA as President Reagan's director of central intelligence, feared a dramatic move on the eve of the election that would free the U.S. hostages held captive in Iran and produce a surge of voter support for Carter.

Casey used the term "intelligence operation" to describe the monitoring when he and Reagan campaign chief of staff Edwin Meese III met with reporters at a breakfast during the July, 1980, Republican National Convention in Detroit. One Republican official said use of this term "alarmed" Meese and others in the campaign and was not repeated.

Yesterday, Robert Garrick, who was in charge of plans and policy for the Reagan campaign, said the campaign intelligence group's information came chiefly from a network of retired military officers who monitored the movements of U.S. troops and transport planes at various air bases across the country.

Garrick, a retired reserve admiral now in the public relations business in Pasadena, Calif., said in an interview that he did not receive information from the Carter White House or the Carter campaign.

But a former high-level Reagan campaign adviser told The Washington Post yesterday that Reagan campaign official Richard V. Allen received copies of portions of daily staff reports that were sent to Carter national security affairs adviser Zbigniew Brzezinski by his senior aides.

Several other Reagan campaign officials said they had never heard of any such incidents.

The former Reagan campaign adviser described the material received by Allen as "mostly atmospherics . . . stuff about poor morale at the NSC [National Security Council]. That sort of thing."

Brzezinski said yesterday, however, that the reports to him from NSC staff members on each day's activities were "sometimes extraordinary sensitive material of the highest nature . . . Any unauthorized distribution to anyone outside the White House would be very serious."

Most presidential campaigns attempt to monitor the activities of their opponents. However, a former Reagan campaign official said there was "a particular priority" to the Reagan effort because of the belief that Carter would "try to manipulate the hostage situation to his benefit as he had done against Sen. [Edward M.] Kennedy in the Democratic primaries."

Garrick's recollection was supported by a higher-level Reagan campaign official, pollster Richard Wirthlin, who said information about the potential "October surprise" was regularly assessed by top campaign officials, including Casey, Meese and advertising specialist Peter Dailey in a series of meetings held in Wirthlin's apartment in Falls Church.

"I never saw even a scrap of paper that came from the White House or the Carter campaign," Wirthlin said. He said "the most valuable information I had during the campaign" appeared in Washington Post stories about Carter campaign strategy memos prepared by Hamilton Jordan, Carter's White House chief of staff.

Federal Home Loan Bank Board Chairman Ed Gray, who was director of policy in the Reagan campaign office and worked with Garrick, also said he knew nothing of information

coming from the Carter White House. "Absolutely not," he said. "I feel kind of left out."

As the Justice Department and a congressional subcommittee stepped up investigations into how Carter campaign documents turned up in the Reagan campaign, some administration officials expressed concern about the intelligence-gathering efforts of the presidential campaign.

"There were so many layers at Arlington and so many corners that anything was possible," said one former campaign official. Arlington was

the location of Reagan campaign headquarters.

The pressure of the investigation and the uncertainty about where it will lead has resurfaced old tensions among White House officials and Reagan supporters.

Some administration officials said they particularly resent what they call "stonewalling" by Casey, who has said he does not have any recollection of having seen the Carter staff documents that wound up in the files of Reagan campaign aides.

White House chief of staff James A. Baker III said last week that, to the best of his recollection, the Carter materials were given him by Casey and turned over to the Reagan debate preparation team headed by David R. Gergen, now the White House communications director.

David A. Stockman, now Reagan's director of the Office of Management and Budget, who has described the material as "filched," said the campaign materials were of use to him in preparing for his role as Carter's stand-in during rehearsals with Reagan of the 1980 presidential debate.

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Baker, Gergen and Stockman have pledged cooperation with a congressional investigation headed by Rep. Donald J. Albosta (D-Mich.). After refusing comment for a day, Casey issued a statement through a CIA spokesman saying he, too, "intends to cooperate fully with Congressman Albosta."

Casey, 70, who officials said was traveling yesterday in Central America, has been a frequent target of criticism in the Reagan campaign and in his CIA post. He has been criticized by some in the White House who say they believe his much-investigated stock dealings are an embarrassment to the president.

But Casey, whose lack of recollection about the Carter campaign materials was defended by the president at his news conference Tuesday, is widely supported by conservative Republicans and administration officials who have been critical of James Baker and Gergen. Yesterday, one official said a "whispering campaign" had been launched against Baker, charging that he was trying to pin the blame for the Carter documents on Casey. Other officials said that White House aides were trying to forge "a united front" against the accusations but that it was difficult to do so because of Casey's lack of recollection.

"We're trying to provide all the information that's been requested and to make certain that the White House genuinely cooperates with the Justice Department investigation," one official said.

"But it's difficult because Casey isn't talking The best thing for the president and all of us is an FBI investigation that swiftly solves the mystery."